

# THE SIGNIFICANCE OF STAMPS USED ON BANK NOTES

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Note:

This article was written by Dr. Arnold Keller of Berlin, Germany. From the earliest days of paper money collecting Dr. Keller has been revered as the “Dean of Paper Money Collectors”. Over the years he had written many articles on the subject for German periodicals, and indeed, was the first to publish books for collectors on the subject. In the 1950s and 1960s, I had frequent occasion to correspond with Dr. Keller in my capacity as editor of *The Currency Collector*, the journal of the long defunct World Paper Money Collectors Association. At that time I asked him if he would write an article for us and this piece was the result. As you will see, he possessed an amazing in-depth knowledge on the subject of the various uses of stamps when applied to paper money. Many years later, I was encouraged to update Dr. Keller's work to include the new issues which had appeared in the interim. This effort will be found in the addendum at the end of the article.

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As your collection grows in size it is not long before you run across a bank note or two with an adhesive stamp affixed to its surface. Since these notes are not too scarce - indeed some varieties are relatively common - every collector may expect sooner or later to acquire examples for his collection. Therefore, it may be of interest to explore the significance of these stamps.

Immediately our attention is drawn to the fact that stamp-notes came into issue for a variety of purposes. The most numerous of these notes are those which bear stamps indicating value. Perhaps the stamp bearing notes most widely known and collected today are those issued by Hungary in 1945. Three varieties of these notes exist: the 1,000 pengo with red stamp affixed, and 10,000 pengo notes with brown or blue stamps affixed to their obverse. These stamps were added to notes in circulation to increase their value. This move was made as an anti-inflation measure. The owners of the notes were required to pay  $\frac{3}{4}$  of their value and in return received an appropriate stamp to signify this. As an economic move this measure was doomed to failure - the inflation running on to the astronomical ratio of one old pengo to 1,000,000,000,000,000 new ones! This costly experiment has left to the field of paper money collectors some of our most interesting specimens.



The most common examples of stamps affixed to bank notes are those placed there to increase the notes value. A good case-in-point is Hungary, which experienced rapid inflation in 1945 necessitating the addition of value added stamps to keep the currency in circulation. Shown here is a 1000 pengő note with the added stamp. This stamp cost the owner of the note 750 pengő. All notes without stamps then became worthless.

Almost equally well known are the stamp-notes used in Czechoslovakia after World War II. These notes are of two principal varieties and had their stamps affixed for entirely different reasons. The first of these notes were printed in Russia and were brought into the country for the use of the Russian Army. Records ascertaining the amount of these notes issued were improperly kept and it became necessary to count the notes to determine the quantity then circulating. To accomplish this, each note counted received a stamp. Those circulating without stamps continued to be counted while stamp-bearing notes were not counted again. Only notes in the denomination of 100, 500 and 1000 korun were counted. We find on the 100 korun note a blue control stamp picturing the Czechoslovakian statesman Masaryk with a block letter "E" in its lower corners. The stamp itself is overprinted "100" in black ink. On the 500 korun note we find the same stamp with a red "500" overprint, and on the 1000 korun denomination the "1000" overprint is also in red.

The other variety of stamp-notes used in Czechoslovakia were the former issues of Slovakia, counted and stamped for the same purpose. After World War II, Czechoslovakia, being recreated as it were, had no bank note issues of its own. As an emergency expedient the Russian occupation notes mentioned above and the notes of the former state of Slovakia were allowed to circulate side by side until they could be





Two varieties of control stamps used on Czechoslovakian interim notes issued at the close of World War II. The 500 korun note of 1944 (above) was an occupation issue of the Red Army, while the Slovakian note (below) was an issue still circulating at wars end. After receiving control stamps, these notes continued in circulation until they could be replaced with the post-war issue.

replaced with a post-war issue. When being counted, the Slovakian notes received their own stamps. The Slovakian 100 korun note bears a yellow Masaryk stamp with “2K” in the lower corners and is without overprinted number. The 500 korun has an orange stamp affixed, bearing the block letter “B” in its lower corners; and the 1000, a red

stamp of greater size with the letter “Y”, showing Masaryk in profile without cap.



The former 500 korun note of Slovakia bore an orange stamp affixed bearing a block letter “B” in the lower corners; and the 1000 korun a red stamp of greater size with the letter “Y”, showing Masaryk in profile without cap.

Turning the calendar in time to the year 1918 we find another use of stamps on money. At the end of 1918 the defeated Austria-Hungarian Empire disintegrated, reemerging as several new political units. Among these new countries were Czechoslovakia and Yugoslavia. Each newly born state developed its own monetary standard. Since banknotes of their own did not exist, Czechoslovakia changed the then circulating Austria-Hungarian notes into their own money by adding a tax stamp for which one percent of the face value was charged. We therefore find blue stamps for 10 haleru on the 10 korun note, red 20 haleru stamps on the 20 kronen denomination, brown 50 haleru on the 50 kronen, and an orange 1 koruna stamp on the 100 kronen issue. For the large 1000 kronen note no stamp was actually pasted on the note, but rather a printed impression, appearing like a stamp, was printed on the obverse. A large quantity of these stamps were counterfeited, especially in the case of the 20 and 50 haleru stamps and the printed seal on the 1000 kronen issue.

In like manner, tax stamps were used in Yugoslavia a year later to create their own money from the old Austria-Hungarian notes. These tax stamps showed no value and only differed in the color used for the different denominations. They exist in three distinct issues, with texts in the Slovenian, Croatian and Serbian languages. The Serbian text differs from the others in that it is written in Cyrillic rather than Roman letters. The stamps are found on the denominations of 10, 20, 50, 100 and 1000 kronen, the smaller





The 1 koruna stamp when affixed, after World War I, to this former Austria-Hungary 100 kronen issue, transformed it into Czechoslovakia's first currency. This was an expedient used until bank notes for the newly formed Republic of Czechoslovakia could be printed and distributed.



The new Czechoslovakian 1000 korona bank note received a machine stamp authorizing its circulation in lieu of an adhesive stamp used for all other denominations.



In like manner the newly formed state of Yugoslavia created their own money from existing Austria-Hungarian notes. The tax stamps used on this 1000 kronen note were printed in three languages – Slovenian, Croatian and Serbian, thus creating three distinct varieties of this note.

denominations having no stamps. Cancellation was usually accomplished by use of a rubber bank seal or date stamp.

Forty years later, in 1948, the same motive - a need to change the monetary standard - prompted the authorities in the Soviet occupied zone of Germany to issue stamps to be placed on the old series of German notes. The Western Powers had printed new notes for their sectors of Germany, but Russia had failed to do this. The issue of stamps affixed to the old German notes was meant as a stop-gap measure. The stamps were for 1, 2, 5, 10, 20, 50 and 100 mark, each bearing the same value as the bank note to which it was attached. From the very first day of issue counterfeit stamps appeared on the market. The law provided that only limited amounts of these old notes be validated by the addition of the stamps. Inasmuch as only limited quantities of the old notes could be changed by any one person, a ready market was found for the counterfeit stamps. The stamps could be had for about  $\frac{1}{4}$  the value of the changed note. This was the primary reason why the monetary standard of the Eastern Zone became depreciated from the beginning.





One other example of the use of stamps to authenticate old money until it could be replaced by a new issue is known. On 7 March, 1946 the Japanese government authorized the use of stamps on their then circulating notes. Stamps were issued for 10, 100, 500 and 1000 yen. Up to the 500 yen denomination the notes were revalidated on a 1:1 ratio. Higher amounts were subject to a reduction in value. Stamps for other denominations may exist. These stamped notes then became valid and circulated until new notes were issued to take their place



In at least one instance the application of stamps to bank notes came about as a result of a fascinating and revolutionary experiment. I refer to the kind of notes which in German are called “Schwundgeld” or “dwindling money”. It was the theory of Silvio Gesell, that in the relation of money and goods, the money was the more cherished, and consequently held a better position. He theorized that goods were subject to ruin (consumer goods wear out, clothes go out of fashion, etc.) but money always keeps its full value (at least in stable times). Therefore, many people save their money and buy just only what they need. All business would do better, theorized Gesell, if also money would be subject to depreciation. He proposed to introduce money which lost at regular intervals a certain percentage of its value. To accomplish this the notes would receive supplemental stamps stuck on the note to indicate the depreciation desired. Thus the face value of these notes was intentionally reduced by the addition of a stamp. In all states the treasuries and competent banks stood against Gesell's theory. Yet Gesell's followers realized his theory, for in several cases it met with success. About the year 1923, there was a mine in the town of Schwanenkirchen which had gone bankrupt and was no longer in operation. Gesell's followers persuaded the miners and the merchants of Schwanenkirchen to accept notes of the “Schwundgeld” type, and to this they agreed. The mine was activated and the miners paid in “Wara” notes. Upon being paid their wages, they gave the notes out quickly so as not to lose a percentage to depreciation. This practice was also followed by the merchants. Every man bought for the whole sum of what he had in hand, and by this means business flourished.

Gesell's theory was again applied a few years later. In Tyrol, the city of Wörgel was near bankruptcy. Notes of the new type were issued and soon business was flourishing again. There was no unemployment and the city was once again able to execute works long since neglected. From many countries, including the United States, came commissions to explore this “miracle”. About the same time America had its “Black Friday” followed by the severe depression period. The ideas tried out at Schwanenkirchen and Wörgel were well received, as the time was right for drastic measures. In America the theory was changed considerably from the original idea. You will recall that Gesell's theory called for immediate passing of the notes so that the owner would not lose a percentage to depreciation. Complete depreciation usually took place within thirty days. In America, the theory was changed in such a manner that the note depreciated only when its ownership changed hands. Every time such a note was given as payment, a supplementary stamp would be stuck on the note, usually for two percent. When fifty-two such stamps were on the note, it was mature and ready for redemption.

The issuer of these notes enjoyed a double gain. First, upon redemption, as he was the one who had issued the note, he received its full face value upon its return. Secondly, by selling the supplementary stamps, he gained again the note's entire face





American "Depression Scrip" note from Fostoria, Ohio with three one cent "booster" stamps attached.

value plus expenses. When the bearer presented the note for payment, the issuer had to redeem it and pay out its face value, but he had remaining the interest on the whole for fifty-two weeks! "Dwindling money" was issued in other countries as well. There existed, and still exist, issues in France, Austria, Sweden and Brazil. From 1933 on through the depression a great number of issues existed in the United States. I am astonished that these notes are not collected in the United States today. During the 1930s I received some of these notes for my collection, but now since many years, no more.

From time to time postage stamps have found their way into use as banknotes. After the First World War some French colonies issued paper money with postage stamps affixed. This was presumably done to combat a shortage of metal coin. Madagascar used stamps of the "Filanzane" type (1908-1917) and the "Zebu and palm" type (1903-1909). These stamps were glued onto thick cardboard and varnished. Many varieties existed, however; the principal values were confined to denominations of 5, 10, 25 and 50 centimes and 1 and 2 francs. The cardboard used varied from gray to brown or yellow. On the Zebu (or dog) issue we find some notes with the text only in French and some with the values added in the Hova language. Another stamp series, "Commerce and Navigation" is known, the 50 centime denomination being intended for circulation only on the island of Moheli. All these pieces are very rare and are no more to be found. They were retired on 25 April, 1928 after fifteen million francs had been issued. The French colony of Cote d' Ivoire (Ivory Coast) issued a 1920 series of stamp-notes using stamps printed in 1913/1916. These stamps were stuck on thick yellowish

paper and were issued in denominations of 5, 10 and 25 centimes. They were overprinted with two lines of text, the first being the phrase “Valeur d' echange” and the second the value. Individual stamps were separated by a perforation line made with the use of a sewing machine. Issued were 60,000 of the 5 centime, 50,000 of the 10 centime and 40,000 in 25 centime pieces. Similar issues of the same denominations were made for the colony of Guinee. The overprinted text appeared in two lines as “Valeur/D' Echange”, and the thick paper used varied between denominations. Orange was used for 5 centimes, green for 10 centimes and red-brick for the 25 centime value. A final example of the use of postage stamps for money may be found in the issues of New Caledonia. Four separate series were issued by the Banque de L' Indo-Chine between 1914 and 1923. The first were not notes at all, but rather round aluminum capsules with enclosed stamps of 25 and 50 centimes of the type “ships before Noumea”. The second issue comprised stamps of the same type and value, which were stuck to cardboard containing the over stamped seals of the Tresorier Payeur General and the Administrateur de Nouvelle Caledonie. Thirdly, followed a similar issue with different stamps for 1 and 2 francs (sailing ship) and a 50 centime piece composed of 35 and 15 centime stamps depicting the cagou bird. The final issue was for 1 and 2 francs only and bore but one seal - that of the Administrateur.



The Madagascar stamp money post World War I 10 centime issue of the “Filanzane” type. This stamp money issue was necessitated by a severe shortage of coin.

Turkey also used stamps stuck on paper as a compensation for the lack of sufficient small coin. The issue was authorized by the law of 8 February, 1917. This example differed from those of the French colonies in that stamps which were no longer current were used. Issued were notes of 5 and 10 paras. The 5 para note consisted of a 5 para carmine stamp depicting a Turkish and Austrian officer in an artillery position affixed to rose paper. Ten para issues bore either a green Hagia Sofia stamp on a pale blue or light green paper, or a 10 para variety overprinted in black on the green-rose 1 piastre stamp depicting “camel before city” on blue, rose or lemon colored paper. In all, 100,000 pounds worth of these stamp-notes were issued. The law required that these pieces be accepted in payments up to 2 ½ piastres.



During the Spanish Civil War, the Republic also issued postage stamps as money. In this case, the issue was regulated in quite a different manner. The government printed small brown disks from cardboard with the Spanish crowned arms impressed on one side. These disks were given by the banks to all persons who wished to have them. In this manner each individual could attach a current stamp to the reverse of the disk thereby creating the value desired. Therefore, many stamp varieties and values may be found on these disks. My collection contains the following examples: 5, 10, 15, 25 centimos (N. Salmeron); 25, 30, 50 centimos (Conception Arenal); 40, 50, 60 centimos (Jovellanos with "Republica Espanola"); 5 and 25 centimos (value in oval); and 5, 10, 15, 50 centimos (coat of arms).



Spanish Civil War Postage Stamp Money. Both postage and tax stamps were affixed to the cardboard disks. This practice spread to Spain's colonies in Africa such as Tangier, the Spanish Sahara and Morocco.

Where current postage stamps were used, it was always possible to detach them from the note and use them on letters. Therefore, some countries resorted to the use of other type stamps. On some World War I notes of German East Africa we find

Portuguese tax stamps on the reverse. In the last year of the war, the German colonial army was forced to withdraw from the southern portion of German East Africa. They then crossed the border into the neighboring Portuguese colony of Mozambique. There they held out until the end of the war. The troops paid the local population for their provisions in their own East African rupie notes and the Negroes, already accustomed to colonial paper money, accepted them. After the war the Portuguese authorities collected these notes and paid their owners, but in doing so deducted a tax amount. For this purpose a tax stamp was affixed to the note. Later, Germany made good on these notes, refunding their full value to Portugal.

Another African stamp-note issue dates from the time of the Boer War. This issue was from the besieged city of Bulawayo in Rhodesia. I have in my collection the 1 shilling note. It is printed on cardboard and has the following text:

The Civil Commissioner, Bulawayo		
Please pay in cash to the person producing this card the face value of the stamps affixed thereto if presented on or after the 1 <sup>st</sup> August, 1900. This card must be produced for redemption not later than 1 <sup>st</sup> October, 1900.		
(signature) Secretary	(printers name)	(seal)

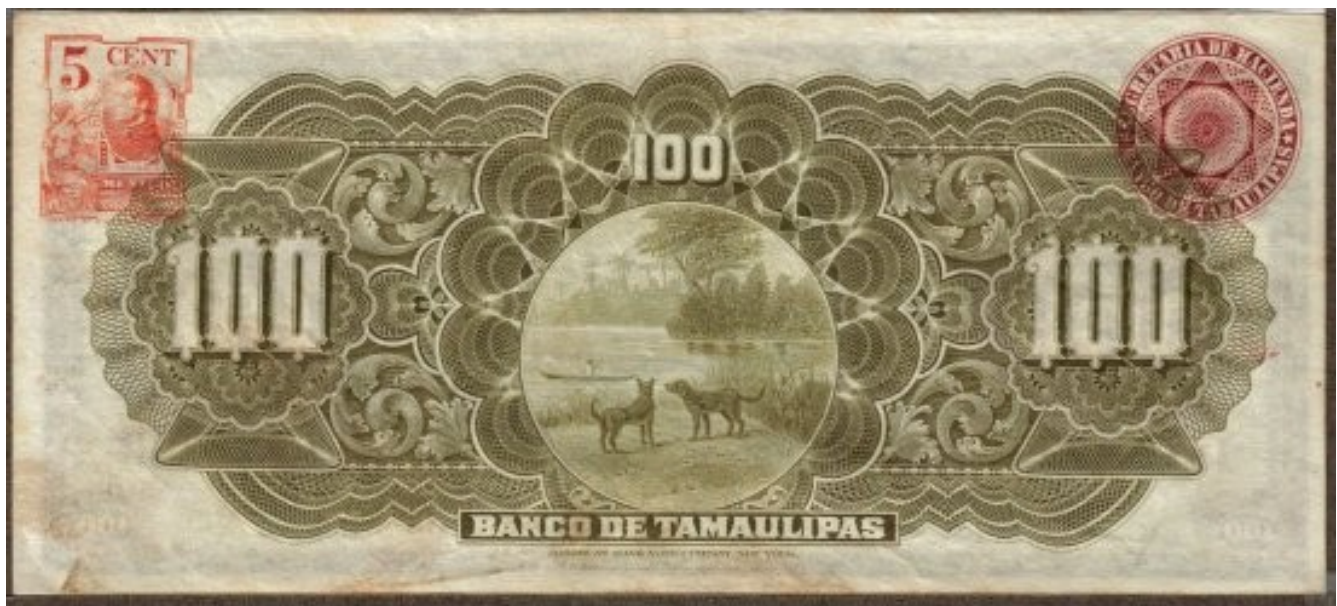
On the back side is pasted a 1 shilling stamp (blue and green) of the British South Africa Company. Additional information available in the catalog "South African Paper Money" from the 1953 exhibition in Johannesburg states that denominations of 3 and 6 pence; 1, 2, 2/6 and 10 shillings existed, the 1 shilling value also appearing with a brown stamp attached.

An example of two issues of the Banco Nacional de Mexico using a stamp on the reverse of the note are known. These notes were issued in denominations of 50 and 75 centavos at the branch in Sucureal en Orisaba and were dated 23 July, 1915. Actually, the notes were issued by the National Chamber of Commerce and were made payable at the bank. Both notes bear on their reverse the same light green 2 centavos stamp. My specimens have been rubbed by long circulation and are also over-stamped with the seal of the Chamber of Commerce, so that it is impossible to ascertain whether postage or tax stamps were used.

Bank notes depicting a reproduction of a stamp were generally made for two reasons. Firstly, stamps have been reproduced on bank notes to depict the value of the



note more clearly. In the beginning, for this purpose, a coin was reproduced on the note. More recently some states have chosen the postage stamp. There exists a 5 cent note of



Shown here are two examples of tax stamps used on Mexican notes from the states of Puebla and Tamaulipas circa the early 1900s. The use of tax stamps on these notes signifies that the “bank note” tax had been paid on them. Tax stamps on Mexican notes are commonly seen, whereas the use of postage stamps is rarely encountered.



Emergency issue of Ceylon to relieve a shortage of coins.

the Government of Ceylon dated 1 June, 1942 which depicts side by side a 2 and a 3 cent stamp. In case of necessity it was permitted to cut the note into two pieces valued at two and three cents respectively. Secondly, tax stamps have been reproduced on notes to signify that the bank note tax had been paid on them. This type of reproduction is commonly found on the older issues of Mexico. Another example of the use of tax stamps - a story with an interesting twist - can be found on the Polish inflation notes of the 1920s. In the Polish city of Zywiec (Saibusch) was a paper manufacturing plant. The Polish government commissioned them, among others, to produce a series of bank notes, namely the 10,000; 20,000; (50,000?); 100,000 and 500,000 Polish marek notes dated 15 September, 1923. The government prescribed that all notes bear tax stamps on their reverse. All five notes from the Zywiec plant have a 100 marek tax stamp on the reverse, while notes of all other manufacture do not. The stamps show the Polish eagle with the text "OPLATA STEMPLOWA" and the value "100". The stamps are cancelled by a rubber seal of the issuing paper manufacturer. But why should these stamps appear on some notes and not on others? Could it be that the director of the Zywiec plant, in his desire to carry out the letter-of-the-law, was the only one to comply with the government directive, while all other manufacturers ignored it? The last example of the use of tax stamps on bank notes known to me is a series of check tax-stamps on the gold franc notes of the Anglo-Palestine Bank in 1914 while under Turkish rule.

Now we must mention the United States postage notes of 1862. Due to the civil war, coins rapidly disappeared into hiding places as is usually the case at the beginning of each war. This hoarding caused great difficulty in meeting the demand for small change required for trading. In one instance, it was reported, a house in New York contained such a weight of copper cents which had been stored there that the floor collapsed! Soon cities and private merchants issued their own small notes to meet this demand. Before long the Treasury felt the scarcity of small money and moved to meet the crisis. The Treasurer of the United States, General Spinner, struck upon the idea of





United States postage stamp reproductions were used during the Civil War to alleviate a shortage of small change in the North. The issue of 1861 was the only one to use the stamp reproductions. Subsequent issues contain portraits of famous Americans such as Washington and Jefferson.

sticking stamps to strips of paper. An example of these notes, bearing also his handwritten signature, appears in Dr. F. Limpert's catalog *United States Postage Currency*, (1946), Plate L. Naturally, it wasn't possible to meet the scarcity of small change by this method, therefore Congress authorized the issue of printed postage notes commencing 21 August, 1862. These notes show reproductions of U.S. Postage stamps, issue of 1861. The 5 cent note consisted of a 5 cent stamp reproduction of Jefferson in brown. The 10 cent issue depicted a 10 cent Washington stamp in green. The 25 cent note showed five 5 cent Jefferson stamps and the 50 cent note was made up of five 10 cent Washingtons. All notes bore General Spinners facsimile signature. Later issues of these notes did not bear likenesses of postage stamps and therefore became known as fractional currency. All issues circulated until the 1890s and never lost their validity. These early issues could still be cashed at any post office today for their face value - however, their real collector value is much higher.

Other countries quickly followed the example of the United States. In 1869 the Republic of Uruguay issued 1 and 5 centesimo notes. For both pieces a vignette was printed onto which the stamps (issue of 1866) were pasted. Brazil, during the same period, used a 200 reis telegraph stamp pasted on cardboard. In 1891 Argentina followed suit issuing a 2 centavos note to cover the scarcity of this copper coin.

Historically, the very first instance of stamps being placed into circulation as money were the encased postage stamps of the United States issued in 1862. These issues took the form of round metal capsules containing a U.S. Postage stamp protected by a transparent mica disk. These old encased stamps are very rare and costly now. The idea lived on however and many countries issued such encased stamps as money during World War I and later. This was especially true in Germany, but also in France, Italy, Denmark and others. The capsules were made of aluminum with the advertisers'

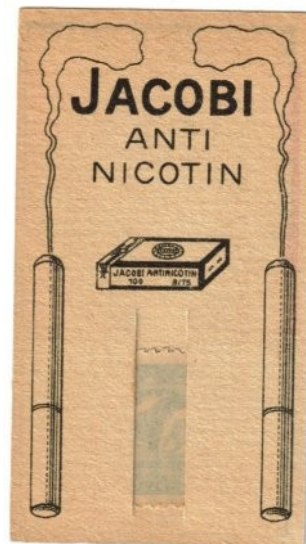
text embossed on the reverse and the stamp encased beneath a clear mica or isinglass disk. Other issues were made from celluloid in many colors and varieties. Hundreds of those existed. Some issues took the form of small paper or cardboard envelopes, the stamp contained on the inside showing through a round hole, and bearing on the back side the text of the issuing house. Notes of this type were issued in 1917 by the elevated railways and subways of Berlin. Still other pieces were made in the size of small notes with the stamp appearing on the left or right side and protected by a small flap of the same paper. The advertising text of the issuing house was printed on the note. Some advertisers even issued these notes and sold the advertising space on them to different merchants. The subject of encased stamps has been thoroughly treated in a booklet entitled *Les Timbres-Monnaie des Origines a Nos Jours* by Gaston Tournier published by Yvert & Cie, Amiens, in 1930. Also, one must not overlook the fact that plain non-encased stamps have occasionally circulated as money in many countries as a matter of temporary necessity or convenience to meet a shortage of small change.



From time to time private issuers of emergency money have been known to have affixed stamps to their notes. The largest release of emergency issues occurred in Germany and Austria at the close of World War I. As these emergency issues emerged their collecting became very popular. Many collectors would write to the issuing authority - in whatever city or town it may have been - and request notes for their collections. Orders from collectors were filled without first applying the stamps to the notes, and as the stamps were not mentioned in the text, most owners of such notes do not know, that to be complete, the pieces should bear affixed postage stamps. Examples of this are the 20 and 50 pfennig issues of Muller in Besigheim and the 50, 75 pfennig, and 1 mark notes of the miller Schreiber in Siersleben. Still others placed the stamps on parchment covers which had the text printed on the cover. The issue of emergency notes was actually not permitted by law, but most issuers, forced by the necessity, cared not for the law and produced their own notes anyway. As it was, the officials did not intervene - as it was impossible to enforce the law anyway. Therefore, many merchants



chose this way to issue small change. Cities known to have used postage or savings stamps on emergency notes include Alfred, Meuselwitz, Gossnitz and Burgel (postage stamps) and Krefeld, Gronau and Wittenberg (savings stamps).



An example of an Austrian advertising stamp note. This 10 heller note circulated as small change due to a shortage of coin. The preprinted cardboard carries an advertisement for Turkish tobacco and was given out by small merchants after attaching the stamp to the note.



Another type of stamp-note was inaugurated in 1915 by Imperialist Russia. These notes were intentionally printed to resemble the stamps of the same value then in circulation. The notes were not to be used as stamps but were designed to take advantage of the well known postage stamps then in circulation, so as to gain acceptance among the general public, and avoid the illegal issuance of local money. These issues for small values gained immediate acceptance and popularity. Stamp-notes in denominations of

1, 2, 3, 10, 15 and 20 kopeks were issued resembling the Romanov jubilee issue of stamps. The obverses were printed in the same colors as the existing stamps. The reverse contained the Russian eagle and five lines of text in black. The text pointed out that the piece should be accepted in the same manner as silver or copper coins. When the Soviets gained control of Russia, the eagle was replaced by numerals indicating the value of the issue. The first imperial issue contains two varieties of the 1 and 2 kopek notes; the first without, and the second with the overprinted numerals 1 and 2 on the obverse. Although it was forbidden to use these stamp-notes on letters, this was actually done in some instances. These money stamps spread out over the whole of Russia causing some local offices to issue stamps in a similar manner. The government of the Ukraine, after gaining its independence, circulated an issue of 5, 10, 20, 30, 40 and 50 shahiv - the obverse side colored to resemble existing stamps and the reverse with text. These notes were not controlled as carefully as the Russian issues and as a result were widely counterfeited.



The Romanov issue of jubilee postage stamps was replicated in stamp-note format for use as small change. All denominations have two reverses – the Imperial Russian arms and the Soviet Russian variety.

Other places shortly after followed suit. The city of Odessa, in 1917, issued the denominations of 15 and 20 kopek featuring the city arms on the obverse. Piatigor and Kislovodsk united for the issue of 10, 15, and 20 kopek notes under the name of Mineraloyje Wody (Mineral Waters). The state bank of Rostov-on-Don issued a 20 kopek stamp featuring a portrait of Jermak, the conqueror of Siberia. Money stamps with denominations of 10, 15 and 20 kopek with double-headed eagle on the obverse and text on the reverse were issued by the Terek Republic. During the revolution the White Army, led by General Rodzianko, intended to use a small 50 kopek stamp note printed on cardboard. I say “intended to use”, as only proof pieces are known.





The government of the Ukraine, after gaining independence, circulated its own stamp-notes (left); while the city of Odessa issued their own (right).



The White Russian stronghold of Chita in Eastern Siberia used tax stamps affixed to pre-printed forms to create their own stamp-money.



Terek Republic stamp-money in the amount of 15 kopeks.

The use of tax stamps and control stamps on bank notes became prevalent in the eastern provinces of Russia during the revolution. Well known examples are the issues of the subsidiary banks of the state bank of Chita. Chita was for some years the capital of a

non-Bolshevik state in eastern Siberia. The notes consist of white paper with printed black text and a place for the stamp to be affixed and then canceled with a rubber seal. This issue was released in denominations of 1, 2, 3 and 5 roubles using control stamps. A variety of frames were used on the obverse of the notes. Additionally, tax stamps were used by the town of Chabarovsk on the Amur River. Here the stamps were attached to small pieces of paper of the same size as the stamp. The reverse featured the bank seal. Values of 50, 75 kopek and 1 and 3 roubles are known. Examples of the use of control stamps by the Terek Republic dated 25 January, 1918 are known. The denominations of 50 kopek, 5, 10, 25 and 100 roubles were made by placing the stamp on small pieces of colored paper with a few lines of printed text on the back.



The State Bank of Rostov-on-Don issued this 20 kopek note with a portrait of Jermak, the conqueror of Siberia.

Another interesting example is that of Lepsinsk in the Altai mountains. There the stamps were stuck on white paper somewhat larger than the stamp itself. On three sides the paper was perforated with the value in an amount equal to one hundred times the face value of the stamp. The word "Lepinskoje" was printed across the bottom of the fourth side. Values of 1, 3, 5 and 10 roubles are known to exist. Lastly, an issue of 1, 5, and 10 rouble notes using postage stamps bearing the Russian double-headed eagle on the obverse were printed on the reverse with the name of the issuing bank by use of an overprint. This bank, the Uralskoje Otdjelenije Gosudarstwennage Banks, was a subsidiary of the Uralsk State Bank.



A 5 rouble stamp-note of the Uralsk State Bank.



Finally, we shall end our article by mentioning the most recent example of the use of stamps on bank notes. These stamps are found on notes of the Red Army in Manchuria and Korea. The stamps are in Chinese characters and attest to the fact that the notes to which they are affixed may be circulated in Dairen only. Why these notes should have been especially earmarked for circulation in that Chinese harbor city remains a mystery.



When the Russians entered the war against Japan six days before hostilities ceased in 1945, they brought with them their own Manchurian occupation money (above). Later stamps were added to some notes limiting their circulation to the port city of Dairen only. These stamps may also be found on Manchukuo notes then still in circulation.

### **Addendum**

The practice of affixing stamps to currency continues. Since Dr. Keller wrote this article, several examples come to mind.

After dividing Czechoslovakia up during World War II and subsequently reuniting it, the country has been petitioned yet again (this time peacefully!). To create instant currency for the new Czech Republic and for Slovakia, revalidation stamps were again employed. These were adhesive stamps placed on former Czechoslovakian 100, 500 and 1000 korun notes dated 1961, 1973 and 1985 respectively. These notes were released on 2 August, 1993. Later on, notes with machine printed 1000 korun validation stamps were circulated in like manner to the old 1918 1000 korun issue of Austria-Hungarian notes used for Hungary at the end of World War I.

Slovakia's new adhesive revalidation stamps were affixed in like manner to former Czechoslovakian notes of 20, 50, 100, 500 and 1000 denominations until new national currency could be printed and circulated.



In 1993 Czechoslovakia was yet again partitioned into two separate states. Shown here is the interim Czech Republic issue of 1000 korun with control stamp, which circulated only until new notes could be printed.



Slovakia likewise used old Czechoslovakian notes, placing them into circulation after an authenticating stamp had been affixed.





Transnistria, a Russian enclave within Moldova, shuns Moldavian notes, preferring to use old USSR bank notes as their own currency, after attaching control stamps to them.

The most recent example of stamp-notes known to me are those of so called Transnistria (or Tiraspol), if you prefer. Transnistria is an area lying adjacent to the Former USSR republic of Moldavia. The area has had a turbulent history, frequently shifting between Russian and Romanian control. When the USSR disintegrated in 1991, Moldavia declared its independence. The Russian people of Transnistria, located between Moldavia and the Ukraine, did not want to become a part of Moldavia. Failing to solve the issue militarily in 1992, Transnistria declared its own sovereignty, however, to date has failed to gain international recognition as an autonomous nation. Nevertheless, the people - who boast a president, parliament, an army and police forces - shunned Moldavian bank notes, preferring to create their own by affixing stamps to obsolete Soviet currency. The stamps bear the effigy of A.V. Suvorov together with a value equal to that of the note to which it is affixed. Various issue USSR notes were employed in denominations of 10, 25, 50, 100, 200, 500, 1000, and 500 roubles. In 1994 these temporary notes were replaced by the first series of Transnistria paper money.

In closing, I would like to mention several issues of stamp-money which may have been overlooked by Dr. Keller or, perhaps, were unknown to him. The first of these is the Korean postal stamp issue of 1917. The issue consists of a single 5 sen note created by affixing a Japanese 5 sen postal adhesive stamp onto a special form created for the purpose. The form is printed on both sides with vertical lines of text and has a place for a cancellation mark. I personally know nothing about this issue and have never seen one, however, they do occasionally appear at auction. Another Asian example of the use of postage stamps on bank notes can be found in China. There is a private issue of Taijin in the province of Honan, dated 1921 in the amount of 1 yuan, onto which



Korean postal stamp issue of 1917.



This Chinese private issue note of 1 yuan dates from 1921. It was issued in Honan province and bears two 1 fen postage stamps on its obverse. The purpose for this is not known.

have been stuck two 1 fen postage stamps of the Chinese Republic depicting a section of the Great Wall of China with the flag of the early republic flying over it. The item illustrated is in the Berlin Munzkabinet. I have in my own collection a different private issue with the same stamps affixed which leads me to believe that, at some point, the republic or provincial government, sought to raise money by requiring the addition of tax stamps to local currency.

Also, in his discussion of the stamp-notes produced by Imperial Russia and those localities that followed suit during the revolution that followed, Dr. Keller makes no mention of the Azerbaidjan city of Baku. In 1918 the Baku City Management issued a series of 5, 15 and 50 kopek stamp-notes depicting the Baku arms consisting of three flames. The 50 kopek note was issued in both perforated and imperforate form. These small notes were accepted throughout Azerbaidjan.



The final use of stamp-notes not reported by Dr. Keller in his wonderfully detailed article pertain to the Philippine guerrilla issues of World War II. Shortly after the Japanese invasion of the Philippines, a critical shortage of coins and bank notes developed. Recognizing this need, President Quezon created provincial Currency Committees which were authorized to issue Emergency Currency. This new emergency money had legal tender status throughout the entire Philippines. In reality two separate areas existed in the islands - those controlled by the Japanese and the unoccupied or “free” back country. Only Japanese occupation notes and the old Philippine currency circulated in the Japanese held areas. In the “free” areas only Philippine notes (regular and emergency) were permitted. As resources required to produce bank notes were non-existent in the free zones, every conceivable method was used to create the needed money. Whatever was at hand that could serve to produce and “authenticate” these crude pieces was used. Thus we see the extensive use of mimeograph machines, various papers, rubber handmade stamps, linoleum block seals and crude anti-counterfeiting devices being employed to create these notes.

In the province of Cagayan, the Quezon authorized Currency Board first issued a



series of emergency notes bearing Philippine Internal Revenue stamps for authentication. The notes themselves were crudely made of one sheet of paper which was mimeographed, then folded and pasted together. A revenue stamp was attached to the obverse of the note which bore the same denomination as the note itself, thus authenticating it. These peso notes were all dated 1 January, 1942, although issued later. The denominations issued were for 10, 20 and 50 centavos, 1, 2, 2½, 4, 5, 10, 20, 50 and 200 pesos. Each revenue stamp was of a different color and was affixed to a wide range of colored papers. When the supply of these revenue stamps ran out, Cagayan province resorted to other issues without stamps. Finally, due to increased Japanese military activity, the provincial government fled altogether. All stamp-notes of this issue are extremely scarce.



In 1942 the Philippine province of Cagayan issued its own “Emergency Treasury Certificates” which enjoyed legal tender status. This otherwise drab emergency currency series was authenticated by the addition of Philippine Island Internal Revenue stamps to their obverse – the only “official” device conveniently at hand. These notes circulated behind Japanese lines, in “free” Cagayan until the area was overrun by the Japanese.

I should also like to point out that, when discussing the Chinese stamps found on the notes of the Red Army in Manchuria, Dr. Keller mentioned that the stamps were attached to Red Army occupation notes in order to authenticate them for circulation. These same stamps, in addition, were also attached to the then still circulating notes of Manchukuo, and were placed there for the same purpose.

Another detail worthy of note concerns the stamp disks of the Spanish Civil War. It should be noted that, in addition to the Republic, Spanish possessions also followed the practice of placing postage stamps on the disks provided, as I have seen examples of these issued by Spanish Morocco, Tangier and the Spanish Sahara. Some of these

examples can be seen in the illustrations accompanying this article.



The Dairen control stamp, which Dr. Keller mentioned as appearing on the Russian Red Army issue, was also affixed to Manchukuo bank notes still valid and in circulation at the time of the Russian occupation of Manchuria.

This just about covers the subject of the significance of stamps used on bank notes. As we have seen, there were many reasons for this – mostly brought about by emergencies due to a change of government or to reasons of economic necessity. Some applications were sound and some off-the-wall. There may be lessons learned due to past experimentation with the application of stamps on money which may serve us well in the future. We may have missed some examples in our research, but one thing is for sure: the world has not seen the last of these interesting bits of numismatic history.